

**NORTHWEST ARCTIC BOROUGH ASSEMBLY
RESOLUTION 15-03**

A RESOLUTION OF THE NORTHWEST ARCTIC BOROUGH ASSEMBLY AMENDING THE FY15 LONG-TERM INVESTMENT ALLOCATION, SETTING APPROPRIATE PERFORMANCE BENCHMARKS, AND FOR RELATED PURPOSES.

WHEREAS: under the Borough’s Investment Code, the Assembly shall annually approve an Asset Allocation Plan for investment of the Borough’s long-term investments; and

WHEREAS: 6.20.030 directs investment of the Borough’s long-term investments in various fixed-income and equity asset classes; and

WHEREAS: Resolution 14-48 set the Borough’s FY15 investment allocation and the Borough wishes to change two target weighting categories to refine its benchmarks; and

WHEREAS: the Assembly believes that establishing asset allocation criteria for these various long-term asset classes is in the best interest of the Borough; and

WHEREAS: the Assembly’s annually-approved Asset Allocation Plan will provide benchmarks to measure both absolute and relative performance of the Borough’s long-term investments and the investment manager.

NOW THEREFORE BE IT RESOLVED BY THE NORTHWEST ARCTIC BOROUGH ASSEMBLY: the FY15 Asset Allocation Plan shall be amended as follows:

Section 1: The overall target allocation is 50% equity and 50% fixed-income with a maximum variance of plus or minus 10% of the target allocation.

Section 2: The Asset Allocation Plan and Target Weightings with range restrictions are as follows:

Asset Class	Target % Weighting	Range %
Fix-Income (bonds)	30	20-40
Large-Cap Domestic Equity	20	10-30
Mid-Cap Domestic Equity	7	0-15

Small-Cap Domestic Equity	3	0-10
International Equity	10	5-15
International Emerging Markets	5	0-10
Real-Estate Equities	5	0-10
TIPS	10	5-15
International Fixed Income	5	0-10
Cash	5	0-10

Section 3: The performance of the Fund and investment managers will be measured against the Target Weighting as follows:

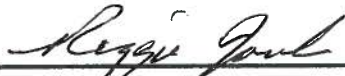
- Performance measurement of the Fixed Income allocation will be measured against the Target weighting using the Barclay's Intermediate Government/Credit Index for the benchmark.
- Performance measurement of the Large-Cap Domestic Equity allocation will be measured against the Target weighting using the Standard & Poor's 500 Index for the benchmark.
- Performance measurement of the Mid-Cap Equity allocation will be measured against the Target weighting using the Standard & Poor's 400 Mid-Cap Index as the benchmark.
- Performance measurement of the Small-Cap Equity allocation will be measured against the Target weighting using the Standard & Poor's 600 Small-Cap Index as the benchmark.
- Performance measurement of the International Equity allocation will be measured against the Target weighting using the Financial Times Stock Exchange Developed ex North America Index for the benchmark.
- Performance measurement of the International Emerging Markets allocation will be measured against the Target weighting, using the Financial Times Stock Exchange Emerging Index as the benchmark.
- Performance measurement of the Real-Estate Equities allocation will be measured against the Target weighting using the Standard & Poor's US REIT Index as the benchmark.
- Performance measurement of the US Treasury Inflation Protected Securities (TIPS) allocation will be measured against the Target weighting using the **Barclays US TIPS 0-5 Year Index.**
- Performance measurement of the International Fixed-Income allocation will be measured against the Target weighting using the **Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index.**
- Performance measurement of the Cash allocation will be measured against the Target weighting, using the Citi Group 90-Day T-Bill Index.

PASSED AND ADOPTED THIS 27th DAY OF JANUARY 2015.



Carl Weisner, Assembly President

PASSED AND APPROVED THIS 27th DAY OF JANUARY 2015.



Reggie Joule, Mayor

SIGNED AND ATTESTED TO THIS 27th DAY OF JANUARY 2015.



Stella Atoruk, Borough Clerk

ATTEST:

